1

JOURNAL OF COMMERCE 24 February 1982

Security Screen Not in Best Interests of Science

By DANIEL S. GREENBERG

WASHINGTON — The security screen that the Reagan administration wants to draw around university laboratories is inspired by the belief that we are so far ahead in research that we can afford to be selective about the venerable tradition of international collaboration in science. But the trouble with our scientific chauvinism is that it has been outdated by Western Europe's slow but full-fledged scientific recovery from World War II, plus Japan's determined progress toward world-league scientific status.

There is no doubt that the United States is strong in all important fields of science, and the leader in many. But no longer are we alone on the frontiers of science, nor do our neighbors there show interest in the administration's efforts to extend the newly revived Cold War to the

Mr. Greenberg is editor and publisher of an independent, Washington-based newsletter, Science & Government Report, and formerly was the Washington correspondent of the New England Journal of Medicine and news editor of Science, Journal of the American Association for the Advancement of Science.

internationality of science.

The prize-winning performance of American science throughout the postwar period has tended to mask the fact that, big and powerful as the American research enterprise may be, it actually accounts for a minority of the world's scientific output — and that share is diminishing. The reason for the decline isn't that we're doing less research; rather, it is the other countries have either rebuilt their war-wrecked scientific enterprises or, like several scientifically up-and-coming Third World nations, are serious new entrants in the field.

The presence of lots of company in the scientific endeavor is clearly detailed in the latest statistical portrait of the worldwide scientific endeavor, "Science Indicators: 1980," published this past December by the National Science Board, one of the federal government's senior science advisory bodies.

Numbers tell the story: Overall, American scientists are in a gentle decline as producers of the world's scientific literature. In 1973, they accounted for 39 percent of the total; in 1979 (the latest year for which figures are available), their output totaled 37 percent. The decline in American-produced papers — remember, papers are the end product of scientific endeavor — included the fields of scientific research that are the underpinnings for both industrial and military power.

Thus, is physics, in which Western Europe has staged a strong comeback with multi-billion-dollar collaborative programs, the American share of research output dropped from 2" to 30 percent of the world total be ween 1973 and 1979. During the same period, our mathematics output fell from 48 to 40 percent; declines were also recorded in biology, engineering, and chemistry.

The growing internationality of scientific research is to be seen in the increase in research papers co-authored by citizens of different countries, the rise in foreign-written papers accepted for publication in American scientific journals, and American papers published abroad. Worldwide in physics, for example, internationally co-authored articles nearly doubled between 1973 and 1979, while in that same field, there was about a 50 percent increase in foreign-produced research papers published in the United States.

What these obscure and generally unnoticed figures signify is that the American scientific enterprise is organically connected to a worldwide endeavor to which it contributes and from which it benefits. The introduction of security criteria — as was recently suggested by Admiral Hobby R. Inman, deputy director of the Central Intelligence Agency — has an obvious appeal to those who recognize the value of science without knowing much, if anything, about its actual workings.

The first lesson they should absorb — before they derail our great scientific enterprise — is that modern research thrives on a worldwide system of give and get, and that we can't expect to have one without the other.

STATINTL

Approved For Release 2003/12/03: CIA-RDP91-0090#R000500260003-5

23 February 1982

TYYAZZ3

R V BYLBYLZYV AU656

*HA-FOCUS HOVISORY;

+NANAGING CDITORS:

AATRE EDITORS:

KEAGAN ADMINISTRATION OFFICIALS CONTEND THAT THE ILLEGAL ACQUISITION OF HIGHLY SOPHISTICATED U.S. TECHNOLOGY HAS SAVED THE SOVIETS BILLIONS OF DOLLARS IN RESEARCH AND DEVELOPMENT COSTS AND HAS HELPED ADVANCE THE COMMUNIST NATION'S MILITARY-INDUSTRIAL COMPLEX.

HS A RESULT: IT IS MOVING TO IMPROVE EFFORTS TO CURB THE FLOW OF THAT TECHNOLOGY TO THE SOVIETS: THROUGH STRICTER ENFORCEMENT: TIGHTER CONTROLS ON SCIENTIFIC EXCHANGE PROGRAMS: HEIGHTENED AMAREMESS BY THE BUSINESS COMMUNITY AND HELP FROM U.S. ALLIES.

IN JODAY'S FOCUS: HY WRITER SALLY JACOBSEN LOOKS AT THE PROBLEM OF INDUSTRIAL ESPIONAGE AND U.S.'S EFFORTS TO STOP IT. THE STORY! ILLUSTRATED BY LASERPHOTO CARTOON NY32; IS UPCOMING.

TIHE HY

AP-NY-02-23 1505c51

TYYAZZ4

R H BYLBYLUIV AU65/

*HM-rocus-lechnology Esplonage, BJT: YDU .

* | UDAY'S FUCUS: THE ILLEGAL HOQUISITION UF U.S. TECHNOLOGY

*Laserphoto Cartoon NY32

#BY SHLLY JHCUBSEN

AMSSOCIATED TRESS WRITER

WHSHINGIUN (HY) - HN ENGINEER WITH AN AIRCRAFT COMPANY IS CAUGHT SELLING GOVERNMENT SECRETS ABOUT HILITARY RADAR AND WEAPONS SYSTEMS TO POLAND.

H CALIFORNIA COUPLE IS CHARGED WITH ILLEGALLY EXPORTING HIGHLY POLISHED LASER MIRRORS; USEFUL IN MEAPONS WORK; TO MOSCOM VIA WEST GERNANY AND SWITZERLAND.

Washington, D. C. 20505

STATINTI

Mr. Ben Bowers, Executive Editor Roanoke Times & World-News 201-09 W. Campbell Ave., S.W. P.O. Box 2491 Roanoke, VA 24010

Dear Mr. Bowers:

I take issue with your 13 January 1982 editorial titled "A Lid on Scientific Information?" which inaccurately reported my views.

Your editorial was derived from a speech I gave on 7 January 1982. I would gladly have provided you a copy before you wrote your editorial, had you asked, so you could have reported my views as I presented them. I never came close to saying that scientists should "let U.S. intelligence agents examine their papers before they're published. They should do this voluntarily—or else," as you reported.

As you will see in the enclosed copy of my speech, I proposed as a societal goal a joint search for a system that would preclude harm to the national security without imposing unreasonable restrictions on scientific research, publication, or use of the results. I further proposed that a potential balance might be struck by simply including in the scientific peer review process the question of potential harm to society or the nation. This is a far cry from clamping a lid on scientific information.

I expect you will wish to retract your inaccurate attribution to me, and I urge you to publish a clarification for the benefit of your readership.

Sincerely,

15/

B. R. Inman
Admiral, U.S. Navy
Deputy Director of Central Intelligence

OEXA/PAD/CEW/scn/19 Feb 82/x7676 Distribution:

Orig. - addressee

1 - D/OEXA

1 - DD/OEXA

- ER

1 - OEXA Reg. 82-0517

DApproved 4 or Release 2003/12/03 : CIA-RDP91-00901R000500260003-5

1 - PAD hold

Approved For Release 2003/12/03 : CtA-RDP91-00901R000500260003-5

TRANSMITTAL SLIP 19 Feb 82

TO:

ROOM NO. BUILDING

REMARKATINTL

has coordinated on

EXTENSION

(47)

both of the attached letters and would like them by COB today so that he can pass them to the Admiral over the weekend. The letter to Aviation Week is as strong as we feel best. The Admiral is particularly upset with

Aviation Week, however, and consequently may change the tone to be even harsher.

STATINTL

BUILDING

REPLACES FORM 86-8 WHICH MAY BE USED.

FROM:

RODM NO.

FORM NO. 241

Approved For Release 2003/12/03: CIA-RDP91-00901R000500260003-5

NEW YORK POST 15 February 1982

Propaganda war is also readied for El Salvador

By NILES LATHEM N.Y. Post Correspondent WASHINGTON The = CIA is planning to dispatch hit teams and to launch a massive campaign of anti-Communist propaganda on Cuban and Nicaraguan agents infiltrating El Salvador, sources report

The CIA is prepared to use U.S. trained paramilitary teams of "non-Americans" to go head to head with Cuban agents in El Salvador Honduras and Guate

High ranking Admin-istration officials said last night that a plandevised early last year by CIA Director William Casey and his deputy, Adm. Bobby Inman, is being actively reviewed by the White House as part of its efforts to control a growing Communist threat to El Salvador and the Caribbean basin.

> Disclosure of the CIA operation first came from the Washington Post and was later independently confirmed by The New York Post.

President Reagan, returning from Camp David, refused to com-ment "either way" on the report.

"All I can think about is ... this Caribbean program in which Canada, Mexico, Venezuela and the United States are going to help them with their economy."

Secretary of State



Associated Press Photo

Demonstrators march through a snowstorm in Boston protesting continued U.S. assistance to the government of El Salvador. About 3000 people took part.

Haig told-reporters yes-terday, "There's a host of things to do," adding, "There is an increased problem on the door-step of America."

Disclosure of the CIA operation came as Reagan prepared to give a major policy speech on Central America which will call on the American people to disregard comparison to the Vietnamwar era and stand to-tally behind him in his efforts to protect the "back yard," of the U.S.

Although details of the CIA plan remain secret

sources said likely activities would include:

Training a series of highly specialized para-military hit teams for military, political and intelligence purposes.

Like the aborted Bay. of Pigs operation in the 1960s, the teams would be comprised of clandestine solidiers and dissidents from the region. and possibly Argentina.

Sources reported that a secret U.S. base has already been established in Honduras, where support is being given to

anti-Sandinista exiles.

O Declaring a major ropoganda war on propoganda war on Cuba and Nicaragua. This would probably be done through a series of "disinformation," tactics as well as by using U.S.sponsored radio and other propoganda weapons, sources said.

Also major U.S. support would probably be given in Nicaragua to a political movement opposed to the Sandinista . regime.

The Casey plan is one in a series of economic,

political and military contingency plans likely to be taken by the Rea-Administration, gan. which is determined to curb Communist influence in the region.

Reagan spent weekend in Camp David reviewing the plans and preparing his speech on Central America speech which will probably be delivered within the next 10 days.

So far direct U.S. military action in the region is not one of the options under consideration.

Approved For Release 2003/12/03 : CIA-RDP91-00901R000500260003-5

Approved For Release 2003/12/03 : CIA-RDP91-00901R000500260003ATINTL

ti

to

d

a

1

tl

n

p

n

p

C

g

ARTICLE APPEARED ON PAGE 28

NEWSWEEK 15 February 1982

Is There a CIA Link With Kaddafi?

It is a government scandal that will not die, a sinister suspicion that the CIA cannot—or will not—police "rogue" agents and ex-agents who sell CIA skills and connections to foreign governments. It has already spawned grand jury hearings and investigations by at least five government bodies, and the House Select Committee on Intelligence spent most of last week behind closed doors attempting to detail the activities of two prime rogues, Edwin Wilson and Frank Terpil, former CIA operatives who in 1976 contracted with Libya's Muammar Kaddafi to provide intelligence and weaponry and to train Kaddafi's terror teams.

Although ostensibly gone from the CIA, Wilson had numerous connections with the agency during that period. He offered \$1 million to three CIA agents to assassinate a Libyan dissident, secured explosive devices from one active CIA officer and directed another's recruitment of Green Berets for duty in Libya. Indeed, Wilson appeared to be so close to senior CIA personnel in the "dirty tricks" Operations Directorate that many participants in his dubious intrigues are convinced—or claim to be—that they were involved in an official CIA operation to penetrate Kaddafi's entourage.

CIA director William Casey and his deputy, Bobby Inman, insisted last week that neither Wilson nor Terpil had formal links to the agency during their Libyan operations. It was, they said, simply Wilson's aptitude for name-dropping that created the impression of official sanction. But Newsweek has talked to one House committee witness whose story suggests that more than name-dropping was involved.

Big Bucks': Luke Thompson, 47, was a Green Beret master sergeant in 1977 when he was recruited to work in Libya under Wilson. Now retired from the armed forces and training as a nurse in Hawaii, Thompson remains convinced that he was participating in a CIA operation. Like many Green Berets, Thompson was a veteran of secret CIA operations, and he was initially suspicious of a telephone offer of "big bucks" to go abroad. Consequently Thompson reported the contact to military intelligence at Fort Bragg, where he was counseled to pursue it. An intelligence officer at the post twice instructed him to "proceed until we tell you to stop." Says Thompson: "To me this was a CIA operation from that point forward."

Thompson was hardly surprised when Wilson's recruiter, Patry Loomis, turned up in person and introduced himself as "currently employed by the CIA." In fact, Loomis's agency contract had only days to run, but the impression of official business was enhanced by the ease with which Thompson subsequently obtained leave from his Army duties. Thompson and three men he had recruited then flew to Zurich where they were met by Wilson himself.

Wilson made no references to the CIA. "I want you to go to Libya and make yourself indispensable to those bastards," Thompson recalls Wilson saying. Thompson asked Wilson who they were working for. "You're working for me," he replied. Libyan officials seemed to take the official connections of such foreign specialists for granted. "I know that one or all of you are KGB or CIA," Libya's deputy chief of intelligence told the group. "I don't care who you are. All I want is your professional services."

'Stinks': Back at Fort Bragg, Thompson says, his contact in intelligence informed him that he had learned the Libyan operation was not legal and "stinks to high heaven." Yet he also told Thompson to maintain contact with Wilson's team in Libya, and Thompson continued to recruit and obtain materials and supplies for them. Called before a Federal grand jury looking into gun-running charges against Wilson and Terpil, Thompson went first to CIA headquarters for guidance. A CIA counsel told him to say anything he wanted,

abouts now are unclear. There have been grisly rumors that Terpil's appearance in several television documentaries angered some terrorists who kidnapped him, cut out his tongue and killed him. U.S. authorities say only that Terpil has pulled disappearing acts before—and the mystery surrounding both men seems sure to continue.

MARK STARR with RICHARD SANDZA in Waikiki and DAVID C. MARTIN in Washington Approved For Release 2003/12/03: CIA-RDP91-00901R000500260003-5

ARTICLE APPEARED
ON PAGE ALL

THE WASHINGTON POST 14 February 1982

Weinberger Pressing for New Secrecy Classi

By George Lardner Jr. Washington Post Staff Writer

Secretary of Defense Caspar W. Weinberger has been pressing, so far unsuccessfully, for a new secrecy classification to cover technological and other kinds of information even if disclosure would not cause "damage to the national security."

A proposed new executive order under consideration at the White House has already generated controversy over the Cold War-era secrecy it dictates, but even the draft order falls short of Weinberger's desizes.

Sources said Weinberger is expected to carry the issue to President Reagan in hopes of last-minute victory.

According to a copy of a memo obtained by The Washington Post, Weinberger advocated a new "security classification of 'RE-STRICTED' "and said it was critical to "the effective safeguarding of a range of information that is not now generally classifiable."

The current security classifications—Top Secret, Secret and Confidential—have been in force since President Eisenhower's first year in office. The Reagan White House draft would require those labels for many more records than under existing rules, but the lowest level, Confidential, would still have a more rigorous definition than the Pentagon wants.

Under the Pentagon proposal, the Restricted stamp "shall be applied to information, the unauthorized disclosure of which reasonably could be expected to cause the loss to the United States of a technological, diplomatic, intelligence, cryptologic or military advantage and which requires protection in the interest of national security."

By contrast, the Confidential classification now in force can be applied only to documents whose unauthorized disclosure can reasonably be expected to cause "identifiable damage to the national security."

The White House draft would change that to eliminate the word, "identifiable," but "damage to the national security" would still be required for a document to be classified at all.

According to a two-page attachment to the Weinberger memo, dated Nov. 25, the only finding needed for Applicates For Release 2003/1-2/03; CIA-RDP91-00901R000500260003-5

Restricted would be "the loss of an advan-

tage to the United States." In addition, suc information would have to be kept secret under that heading if its disclosure "either bitself or in the context of other information" could be expected to cause that "loss of an advantage."

It is not clear whether the lost advantage would have to be governmental or commercial, and in competition with the Soviet Union or simply any foreign country or industry the classifying officer might have in mind.

Similarly, the notion of what might constitute a "diplomatic advantage" and how it could be lost is not spelled out.

The Defense Department contends, however, in one of the attachments to the Weinberger memo, that "There is a wide range of government information that currently is below the threshold of the criteria for classification but nonetheless requires a minimal degree of safeguarding.

"Valuable information, such as that pertaining to technology, especially critical technology with military application, diplomatic endeavors of the State Department, certain aspects of intelligence and crytologic activities and military operations, does not reach to the criteria for higher levels of classification," the Pentagon rationale continues.

"Yet the loss of such information, and the advantage gained by our potential adversaries, demands that the government take steps to provide legal and positive control over it."

Weinberger also observed that "most of our NATO allies" use the Restricted classification. He said its usage here would relieve the Defense Department of the higher expenses of handling such material from NATO countries as if it were Confidential.

The Restricted classification has not been used in the United States since President Truman's administration, when it was defined simply as the lowest level of "classified security information."

President Eisenhower got rid of the category in 1953 and since then, according to a recent study by the privately funded Center for National Security Studies, each successive executive order has been issued "for the explicit purpose of reducing government se-

Oversight Office, argued that his department needed still more leeway "for the protection of information in the interest of national security."

The administration has already set off alarums in the scientific and academic communities as a result of CIA Deputy Director Bobby R. Inman's recent warning that scientists should submit to voluntary "reviews" of their work by U.S. intelligence agencies or face harsher action.

He has proposed a volunteer censorship system for research in such fields as "computer hardware and software, other electronic gear and techniques, lasers, crop projections and manufacturing procedures."

Weinberger's classification proposal was applauded by principal deputy assistant secretary for public affairs Brinjamin Welles in a Dec. 11 memo.

He suggested it would obviate any need for a proposed exemption to the Freedom of Information Act concerning "technology which may be used for military purposes." ARTICLE APPEA ON PAGE A

Virginia Polytechnic Institute 12 February 1982

CA threatens to reviev scientific research

By John Simmons

Associate news editor

Threats by the Central Intelligence Agency that would require American scientists to submit their research for review could "destroy the foundations of science," said two Virginia Tech scientists.

At a recent session of the American Association for the Advancement of Science, Admiral Bobby Inman, deputy director of the CIA, said that laws would be enacted to enforce scientists to submit their work.

In his speech, Inman said there is an overlap between technical information and national security which produces tension.

"This tension results from scientists' desire for unconstrained research and publication," Inman said, "on the one hand, and the federal government's need to protect certain information from potential foreign adversaries, who might use information against this 15 6:0000000 country."

However, several Tech scientists have expressed concern over CIA intervention and the effects that censorship would have on the realm of science in this country.

University distinguished professor of physics, Robert Marshak, said, "The question lies with the American science community and whether we are willing to cooperate with censorship.

"The idea of the CIA coming in and trying to monitor research projects," Marshak said, "would be terribly counterproductive. We would lose more than we would Friend barolismon value 1 gain."

John Cairns, professor of biology and director of the Center for Environmental Studies, said that censorship of any kind would destroy the openness between scientists and subsequently hinder the advancement of science.

"The basic issue as I see it," Cairns said, "is that people may misunderstand the nature of science. If I get an idea and I publish it in a journal and it is wrong and people see it, they can respond by publishing that Cairns was wrong for these reasons. I may find myself that I was wrong in the peer review process.

"The academic process assumes that there will be a certain amount of error in everything that is new. Error is corrected by the system, by peer review process. The whole community judges who is right or wrong. It is a self-correcting system that depends on opportunity for people to point out errors. If you make things secret, you cut out that self-correcting process.
"There is more parm done" he said "by keeping.
"There is more parm done" he said "by keeping.
"CIA-RDP91-00901R000500260003-5

things secret and not allowing the process to occur for science as a whole."

Inman was not available, and his assistant would not comment on any statements Inman made at the conference. Kathy Pherson, of the CIA public affairs office, said the concerns expressed at the session were not stricly based in the CIA but rather were enveloped by the entire United States government.

"We are pointing out a problem in the U.S.," Ms. Pherson said.

In his speech, Inman said that a balance between research and national security is essential. Inman, who worked with criptology scientists when he was head of the National Security Agency, is recommending a system of review similar to the one used in the NSA. He called it a safeguard for society in his speech.

Marshak and Cairns insist that the costs will outweigh the benefits.

"If Inman makes threats," Marshak said, "it is going to be a mess. Scientists won't stand for it. It is an unpatriotic act, trying to push that compulsion on our Juan . W. society."

Marshak, who has had some of his research suppressed during periods of war, said the benefit of openness between scientists makes the United States research the best in the world. "Our advances in technology depends on the progress of science."

Cairns, who studies pollution and toxic chemicals, said more harm is done by keeping things secret and not allowing the process to occur for science as a whole.

"It is a long process. It may take 10 years before an idea is generally accepted. In all that time, people are reading what you've done and repeating it in their laboratories. Suppression of criticism is more dangerous than letting other people get ideas from you.

"One of the chief joys of the academic community is finding mistakes in other people's work - not maliciously or anything, but it is part of the game. I can then quickly correct my research. If I go on in ignorance, because no one has had a chance to criticize me, it could cause problems. The biggest drawback of censorship is cutting out this process of peer review."

Cairns said that reviews may take up to six months. "I have papers in review now that have taken that long. It should not have to take that long, but it does. Imagine what would happen if you added another layer of review like this. It would at least double the time. That is the worst aspect.

CONTINUED

Approved For Release 2003/12/03: CIA-RDP91-00901R000500260003-5

"This censorship will really increase the cost of research. I don't know that the public is willing to pay that extra, which I imagine would be at least doubled.

"The reason we don't worry about the Russians as much is because they do have that (censorship). So we can move faster. It is not so much that we are brighter, it is that we have a freer exchange of information. People don't want to hear me speak on what I have published. They can read that. They want to hear what I am doing now, that has not been published. This is a question of cost/benefit ratios."

Marshak said, "A lot of scientists would not accept research support from the government. You would essentially knock out all our freedoms. It is contrary to our constitution.

"It has been our American style of freedom and openness that has helped advance science in the past 50 years."

ARTICLE APPEARED ON PAGE

LOS ANGELES TIMES 12 FEBRUARY 1982

Haig Tours a 3-Nation Strategic Triangle

Concern Focuses on Morocco and U.S. Access to 4 Big Airfields

By ROBERT C. TOTH, Times Staff Writer

MARRAKECH, Morocco-Secretary of State Alexander M. Haig-Jr. arrived here Thursday to complete his tour of three troubled nations that form a strategic triangle covering the mouth of the Mediterranean Sea.

Spain and Portugal create varying degrees of concern among! U.S. policymakers, but Morocco is the object of the most attention for two reasons:

-The Pentagon wants to regain access to four huge World War II airfields in Morocco for emergency use in the event that U.S. forces are dispatched to the Mideast or Persian

-The United States wants to prevent any chance of victory by the leftist Polasario Guerrillas in the disouted Western Sahara, a development that could in turn topple the pro-Western government of Morocco's King Hassan II.

Deny Facilities to Soviets

"The Americans need those strategic airfields and port facilities in Morocco," a North Atlantic Treaty Organization officer said in an interview. "But perhaps more important," he said, contemplating an improbable outcome, "those fields and facilities must be denied Russian. ships and long-range naval aircraft. From them, they could easily throttle the Strait of Gibraltar,"

Haig is the latest of several top U.S. officials who have come here to bolster Hassan with promises of increased U.S. military aid against the guerrillas and increased economic aid to maintain his stable rule at ber, continues to feel "totalitarian home. Defense Secretary Caspar W. Weinberger and Adm. Bobby R. Inman, deputy director of the Central Intelligence Agency, were among Hassan's visitors last year.

The CIA last summer proposed to funnel several hundred thousand dollars to Moroccan authorities in the Western Sahara to counter funds sent there by Libya's Moam- in anticipation mar Kadafi, American sources said. talks next year.

Both Libya and the CIA intended the funds to be used to sway inhabitants of the Western Sahara in a. proposed referendum on the future of the territory. The CIA's covert plan was aborted after congressional intelligence committees objected. At his stops in Spain and Portu-

gal, Haig also reviewed unsettling. national and regional problems.

In both madrid and Lisbon, he paid tribute to the new "democratic processes" and "democratic institutions" in countries that had rightwing dictatorships within the past decade. But recent events in both countries indicate that the dedication to democracy is still fragile.

Spain, in particular, appears headed for a difficult year after the military's coup attempt last February. Trials of 32 officers involved, due to begin Feb. 19, are expected to provide a crucial test of residual fascist sentiment in Spain's military forces. Observers are predicting relatively light sentences for the rebels lest they become martyrs for the right.

Also, four strategic U.S. air and sea bases in Spain are up for re-negotiation this spring. The Spanish government is reportedly asking \$3 billion in military aid in exchange for new base rights. And the cause of leftist opponents of the bases should be reinforced this year by those Spaniards who oppose their country's scheduled entry into NATO this spring.

Portuguese Strike Call

Portugal, already a NATO mempressures," Haig said on his visit to Lisbon, alluding to Communist unions that have called for a general strike there today.

being used by the United States under treaties that must be renewed. The United States will increase its military and economic aid this year in anticipation of re-negotiation-Approved For Release 2003/12/03 : CIA-RDP91-00901R000500260003-5

But it is here in Morocco, with a six-year war, against the Saharaguerrrillas and a two-year crought. sapping its economy, that Americanmilitary aid and economic support is needed most to resolve regional dis-

putes.

Morocco's economic problems, caused principally by the draughts, led to two days of rioting in J ine after.prices were increased about 50%° for bread, sugar and other subsidized commodities. At least 1/4 people were killed in Casabla ca by Hassan's troops before the monarchreversed the price rises.

A French-educated lawyer, Hassan, 52, has been the target of several coup attempts over the last decade. U.S. analysts fear he would be ousted if, against this back round, Morocco lost the Western Sanara.

"There is a unanimity of view across the policital spectrum here, including even Socialists an 1 Communists, that holds that those territories must be retained," one U.S. official said...

One-Time Spanish Colonies

He referred to the former spanish colonies of Sanguia-el-Har ra and Rio De Oro, jointly called spanish Sahara when Madrid rule them. The last Spanish census of that area counted 75,000 people in eight nomadic tribes. But the I olisario guerrillas claim 700,000 live in the territory, which contains 75% of the world's known phosphate deposits.

With the backing of Algeria and Libya and with Soviet-mace arms, the guerrillas conduct hit-ind-run raids on Moroccan outpost in the desert while demanding a egotiations over sovereignty.

Morocco has claimed the territory Portugal, too, has military bases of for centuries and at a meeting of the Organization of African unity last June, Hassan proposed a cease-fire and a referendum in the region. The inhabitants would be asked whether they wanted Moroccan rule ir independence. The dispute over how ARTICLE AFPEARED ON PAGE_ 1.

WALL STREET JOURTAL 11 February 1982

Sensitive Sales

U.S. Tries to Cut Trade In Items That Russians Might Use for Military

But Not All Officials Agree Which Deals Are Risky, And Some of Allies Balk

What a Computer Is Good for

By Gerald F. Seib And Walter S. Mossberg Staff Reporters of THE WALL STREET JOURNAL

WASHINGTON-Last year, Soviet officials ordered an unglamorous piece of industrial gear from a company in California. The item was a machine that tests the hardness of concrete structures, such as bridge abutments, building foundations and walls:

The company applied to the Commerce Department for an export license, and the proposal was thrown into the hopper with tens of thousands of others. It had almost won approval last summer when, at the last moment, the Pentagon discovered that the same computerized device is used by the U.S. Air Force to help improve the hardness of American concrete missile silos targeted by the Soviets. The deal was killed.

Reagan administration officials say that is just one of many examples of how the Soviets regularly seek to acquire seemingly innocuous Western technology that can be turned to military use. Often, these officials add. Moscow has succeeded. They contend that American technology helped advance the Soviet military buildup that the U.S. now is spending billions to counter.

U.S. intelligence experts believe Soviet troops rolled into Afghanistan on trucks made at the Soviet Kama River plant, which was built with Western technology and loans -and was supposed to be strictly for civilian use. They also suspect that Soviet advances in accuracy of multiple-warhead missiles were made possible by the purchase of high-precision U.S. ball-bearing grinding machines. And defense officials fear the Russians will use U.S. oil drill-bit technology to make super-hard armor piercing ammunition.

Tightening Trade

Now, they say, the U.S. is on the verge of major advances in microelectronic technology that could tip the military balance in coming years. These advances must be kept

So the administration is making a stren-! uous effort to put the clamps on East-West trade in high-technology items. "Western

Richard Perle, an assistant defense secretary. "The cost to the West is out of all proportion to the benefits in the trade.'

In recent months defense officials have begun to look at requests for export licenses much more closely. At the same time, the Commerce Department and Customs Service have sharply stepped up their scrutiny of items that could wind up in the Soviet

The administration's effort isn't slowing down because of the curbs clamped on trade; with Russia during the crisis in Poland. Those moves are only temporary and don't affect existing export licenses. Looking ahead, some officials worry that the U.S. government will tend to forget about the broader technology-transfer problem whenever tensions over Poland ease. In any case, U.S. technology is still going to allied and other countries from which it can be sent on to the Soviet Union.

Pressure on Allies

Just last month, the administration began a drive to persuade American allies to. clamp down on technology transfers: A high-level U.S. delegation flew to Paris for a meeting of the Coordinating Committee for Multilateral Export Controls, or Cocom, an organization of the U.S. and its allies that oversees trade to Communist nations. Cocom agreed in principle to redefine the guidelines for technology exports to the Soviet bloc. And Japanese officials, responding to U.S. pressure, pledged privately in Washington last month to stop Japanese companies from signing new contracts for hightechnology shipments to the Soviet Union during the Polish crackdown.

But shutting off the flow of technology will take more than just tough talk and a steely attitude. For one thing, nobody is exactly sure which transactions are harmful and which are benign. There's no dispute about the dangers of shadowy Soviet agents stealing classified military technology, nor does anyone advocate allowing sales of straight military items like guns and missiles. But the consensus ends there.

The toughest cases involve what the government refers to as "dual use" technology -items like the concrete tester, which are made primarily for civilian use but have important, though often hidden, military uses: Such items are frequently purchased by innecent- sounding Soviet agencies or by apparently unrelated companies in neutral countries.

Much To Do

These murky cases have to be addressed by a Washington bureaucracy ill-equipped to settle them. Only about 20 of the Defense Department's one million civilian employes regularly work on the technology-transfer problem. The Pentagon and the Commerce Department are only now getting computers to sort out the 80,000 export-license requests filed annually. And until this year the Commerce Department didn't have an office for

microelectronics development.

Furthermore, the fine distinctions be-

the gove officials jects to partme importar that can

better b But hard-line Reaganites venera such thinking is a holdover from the strategy of detente, which they think has been discredited. Recent Soviet musbehavior has proved that Western trade doesn't moderate Soviet conduct, they say. Now, they argue, it is becoming clear that trade actually harms the West by helping the Soviet military.

Other pressures complicate the intragovernmental debate. American companies and their friends in Congress ofter press the Executive Branch to approve ales, arguing that blocking a U.S. compary would only open the door for foreign firms. U.S. scientists also are resisting administration requests that they curb their ties to Soviet academics to protect American know-how.

Disputed Deal

Stanford University, for example, strongly protested when the State Department recently asked it to slap restrictions on the activities of a visiting Soviet scientist. Stanford said doing so would "drastically disrupt the academic environment." And Bobby Inman, deputy director of central intelligence, has kicked up a controversy by suggesting that intelligence agencies be allowed to review scientific papers before publication to excise information hat could help the Soviet military.

For months the administ: ation has been wrestling with one proposed sale that involves several touchy problems. International Harvester Corp. was to sell \$300 million of technology for making grain combines at a new Soviet plant.

Last fall, when the Harvester license application came up for consideration, Defense Secretary Caspar Weinberger tried to have it denied. The Pentagon noted that the Soviets regularly use such plant. to turn out armored personnel carriers and other military vehicles in addition to the agricultural machines. But Mr. Weinberger was overruled by the Commerce and Stat . Departments, which contended that the sale was a proper civilian transaction and noted that Harvester was in financial diff culty. The National Security Council, headed by President Reagan, then gave a final go ahead.

Peddling Silicon

When martial law was declared in Poland in December, the Pentagon immediately revived the effort to kil the Harvester deal, this time as a protest a ainst Soviet involvement in the Warsaw government's crackdown. But defense officials have so far been unable to overcome costinuing opposition from trade officials.

Even when there aren't disputes within the government, American allies can create out of Soviet hands at all costs, the Pentagon warns.

Merce Department didn't have an office for good warns.

Merce Department didn't have an office for good warns.

Problems, Despite some movement at the problems, Despite some movement at the problems, Despite some movement at the good warns.

Coast, the center of much of America's ally don't share the Reagan administration's ally don't share the Reagan administration's fears about technology. Among U.S. allies,

ARTICLE APPEARED OR PAGE 39

U.S. NEWS & WORLD REPORT 8 February 1982

Drive to Keep Secrets Out of Russian Hands

Washington is alarmed by the way Moscow rides free on the back of American science. But doing something about it is proving to be a tall order.

Fed up with watching Moscow buy, borrow and steal Western technology for its military machine, the United States has launched a major drive to turn off the tap.

Target of the sweeping new campaign is not only the sale of strategic hardware to Soviet-bloc nations but the transfer of ideas, scientific research, mathematical equations—the fruits of Western genius on which Russia has been freeloading for decades.

In the face of resistance from U.S. scholars and free-trading allied governments, the argument being pressed by American officials is this: From knowledge and hardware obtained in the West, Moscow has developed weaponry ranging from missile-guidance systems and high-speed submarines to the troop trucks now being used by Russian soldiers in Afghanistan.

Armed with a top-secret new study, said to list a "dazzling" array of Soviet weaponry developed from Western know-how, one top intelligence expert bluntly concludes: "The Russians are living off our technology."

The Reagan administration solution: A package of broad countermeasures requiring foreign and domestic support. These would—

■ Expand Western Alliance blacklists of high-technology items that are not to be sold to Iron Cur-

tain nations.

■ Tighten law-enforcement controls over exports from this country.

Back that up with tough crackdowns against industrial spying and smuggling.

Press universities and scientists to reduce Soviet access to U.S. research—at the risk of a battle royal with scholars devator oved For Release the free exchange of ideas.

Behind the Russians' ability to ride piggyback.

Piecemeal embargoes and porous export controls have been no match for Moscow's mix of espionage, smuggling, open-market purchases and use of Western scientific literature.

Kremlin's long arm. This is how Defense Secretary Caspar W. Weinberger describes the extremes to which Moscow has gone:

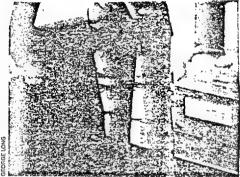
"Businessmen, engineers, scientists and workers have been bribed. Innocent-looking corporations have been created to buy equipment later sent to the U.S.S.R.

"Diplomats and official visitors have been used to ferret out items of interest. Neutral and nonaligned states are targeted for exploitation. Where all else fails, intelligence missions have been run by Soviet agents."

Among recent Soviet breakthroughs linked to the possible use of Western secrets: The huge Typhoon-class attack submarine and the Alfa-class submarine, faster and deeper diving than any U.S. rival, both believed based on Western technology; laser equipment for potential use in space warfare, illegally purchased from U.S. contacts, and designs for America's most modern antitank weapon, the TOW missile, obtained by spies.

Just as troubling, in the U.S. view, is the aboveboard purchase of sophisticated industrial hardware that the Russians then turn to military use.

Sales of U.S., Japanese and European computer and laser technology are glaring examples, but the Russians also have made ingenious use of seemingly harmless items. For example, analysts



Customs agents step up the ks of exports as part of "Operation Exc dus."

link Moscow's development of moreaccurate intercontinental missiles, aimed at the United States, to the purchase of American-made b. ll-bearing grinders.

Moreover, Russians are slowing increasing talent at copying that they cannot buy directly, by studying technical publications or samples bought covertly through intermedialles.

One striking example: Russian electronic buoy recently fisled out of the Atlantic near the U.S. I ist Coast. Designed to collect vital data for Soviet subs, it contained computer circuits that duplicated American counts exactly—so exactly, in fact, that when the U.S. circuits were plugged into the buoy, it worked.

Dates stamped on the ge who ved that the Russians had begun eproducing the minuscule computer chips involved about three years of their they first appeared on the U.S. market. Says one defense official: "That a scary achievement."

The Russians get mich Western technology simply by asking

Until recently, the Soviets subscribed to and received some 80,000 publications a year from the U.S. National Tec nical Information Center. The center, outside Washington, J. C., puts out American research reports on subjects ranging from abandoned Texas oil fields to international texas oil fields to internati

subscription was cut of, agents

for other Communist countries



\sim	ГΛ	т	IN	т	l
0			HΝ		L

Approved For Release 2003/12/03: CIA-RDP91-00901R000500260003-5

ARTICLE APPEARED
ON PAGE 15

AVIATION WEEK & SPACE TECHNOLOGY 8 February 1982

Washington Roundup

Oil on the Waters

Reagan Administration's White House senior staff, seeking to plug leaks that they consider damaging to the President and his policies, last week came up with an intelligence structure that took 10 single-space pages to describe. The nation low gets three Senior Interagency Groups for foreign policy, defense policy and intelligence. To report to the SIGs, the White House is setting up a substructure called IGs. The IGs report to the SIGs on regional and functional areas and everyone in government employ with access to secret information will be subject to investigation, using all legal methods. It all is designed for "smooth, steady and consistent flow of information to the public about the Reagan Administration."

One of the principal figures is Adm. Bobby R. Inman, deputy director of the Central Intelligence Agency. He was the main speaker at the launching of he USS

Platte at Avondale Shipyards, New Orleans, La. The Platte is an oiler.

-Washington Staff

Approved For Release 2003/12/03: CIA-RDP91-00901R000500260003-5

ARTICLE APPEARED
ON PAGE 10

AVIATION WEEK & SPACE TECHNOL 8 February 1982

Classifying Science:

A Government Proposal . . .

Adm. Bobby R. Inman, USN, Deputy Director Central Intelligence Agency

... There is an overlap between technical information and national security, which inevitably produces tension. This tension results from the scientist's desire for unconstrained research and publication, on the one hand, and the federal government's need to protect certain information from potential foreign adversaries who might use that information against this nation. Both are powerful forces, thus it should not be a surprise that finding a workable and just balance between them is quite difficult. But finding this balance is essential, for we must simultaneously protect the nation and protect the individual rights of scientists—both as academicians and citizens.

This tension is accentuated when scientists are employed by the federal government directly, or work for the government indirectly in their own offices with federal research funds. Some of this work is done on subjects that directly affect the nation's security—e.g., its defense, diplomacy and

intelligence efforts.

There are cases where interplay has occurred between science and the national security interests. One of the most obvious, of course, is the Manhattan Project of World War 2 in which the first nuclear weapons were created and tested. Another is the development of "national technical means" to monitor foreign compliance with international arms control accords.

Science and national security have a symbiotic relationship—each benefitting from the interests, concerns and contributions of the other. In light of the long history of that relationship, the suggestion is hollow that science might (or should somehow) be kept apart from national security concerns, or that national security concerns should not have

an impact on "scientific freedom."

The need in today's world for protection of some information, for secrecy is clear—I believe—to any fair observer. Protection of the information necessary to safeguard our society, and to conduct our international affairs, must occur. Within the federal government, there is a system established by Executive Order to assess the expected damage, should certain information come into the hands of foreign enemies, and—based on that assessment—to control access to that information so as to prevent any such exposure. This exposure potentially could occur through public release of the data, or from the successful clandestine activities of the agents of foreign intelligence services.

And we should make no mistake, foreign intelligence services—among other entities of foreign governments—are collecting all types of information in the U. S. Specific data on technical subjects are high on the wanted list of every major foreign intelligence service and for good reason.

The U.S. is a leader in many—if not most—technical areas, and technical data can enhance a nation's international strength. In terms of harm to the national interest, it makes little difference whether the data are copied from technical journals in a library or given away by a member of our society to an ageatop rover of the lease 2003/12/03: CIA-RDP91-00901R000500260003-5

TECHNOL

A different sou completely separate research in areas obvious and preem example is the denuclear ones. Anothons and cryptograph mathematics, there is weapons. Such a magraphic concepts as business communications.

Research into cryptography is an area of special, ongstanding concern to me. When I was director of the National Security Agency, I started a dialogue to find a common ground regarding cryptography between scientific freedom and national security. Considerable effort has gone into that dialogue, by both scientists and public servants, and I think the results so far have been reasonable and fair. Cryptologic research in the business and academic at mas, no matter how useful, remains redundant to the necessary efforts of the federal government to protect its own communications. I still am concerned that indiscriminate publication of the results of that research will come to the attention of foreign governments and entities and, thereby, could cause irreversible and unnecessary harm to U.S. na ional security interests.

There are, in addition, other fields where publicat on of certain technical information could affect the na ional security in a harmful way. Examples include conducter hardware and software, other electronic gear and techniques, lasers, crop projections and manufacturing roce-

I think it should also be pointed out that sele tists' blanket claims of scientific freedom are somewhat dis agenuous in light of the arrangements that academician routinely make with private, corporate sources of funding for example, academicians do not seem to have any sorious difficulty with restrictions on publications that arise for a corporate concern for trade secret protection. The strong negative reaction from some scientists, over the issue of protecting certain technical information for national socurity reasons, seems to be based largely on the fact that the federal government, rather than a corporation, is the source of the restriction. Yet this would presume that the corporate, commercial interests somehow rise to a higher level than do national security concerns. I could not discover more strongly.

Scientists and engineers have served our society spectacularly in peace and war. Key features of science—unfectered research, and the publication of the results for validation by others and for use by all mankind—are essential to the growth and development of science. Both our national security and our economic development rely heavily on these features. Restrictions on science and technology should only be considered for the most serious of reasons.

But nowhere in the scientific ethos is there any requirement that restrictions cannot or should not, when nece sary, be placed on science. Scientists do not immunize them elves from social responsibility simply because they are en aged in a scientific pursuit. Society has recognized over time that certain kinds of scientific inquiry can endanger society as a whole and has applied either directly, or through cientific/ethical constraints, restrictions on the kind and amount of research that can be done in those areas.

CON, INVED

ARTICLE APPEARED ON PAGE

IOS ANGELES TIMES 7 FEBRUARY 1982

ing Secrets

The Reagan Administration thinks the Soviet ·Union is learning too much from unclassified scientific and technical information published in the United States. That information, it says, is often used to advance Soviet military power, to the detriment of American power. The Administration wants steps taken to reduce Russian access to this research. It is hard to see how that can be done, however, without unacceptably inhibiting the vital free flow of information within the American scientific community.

Adm. Bobby R. Inman, the deputy director of Central intelligence, has urged scientists to cooperate voluntarily with the government's approach. Failure to do so, Inman has warned, .could lead to far more onerous restrictions on published scientific research than might otherwise be the case. Inman has suggested that scientists imight have to submit certain papers to the government for pre-publication screening in an effort to satisfy national-security concerns. What he is talking about is giving the government the power of censorship over unclassified material. ·That censorship would be limited in application, perhaps, but would be censorship nonetheless, and would run head on into both guarantees of free speech and the necessity for scientists, in their own interests and in the national interest, to communicate freely with each other.

A precedent of sorts exists for official prepublication review of non-classified scientific articles. This involves the relatively narrow field of cryptanalysis, the study of how to break codes. A year ago, scholars in the field began voluntarily submitting research papers to the National Security Agency before proposed publication. The agency had requested the right of advance review out of concern that information harmful to its activities of protecting secret U.S. communications and breaking codes of other countries might inadvertently get into the public domain. Scholarly cooperation with the agency may have been influenced by the threat that without it a law would be sought to prohibit open publication of cryptanalytic research.

The government now indicates that it wants to go well beyond this single and narrowly defined area. Inman says there is official worry about freely published information in a wide range of fields. These include computer science, electronic equipment and applications, lasers, crop projections and

certain manufacturing techniques. Publication of unclassified material in these fields would presumably be made subject to prior official a proval. Once again, the threat of a law to comrel such screening has been raised as an alternative to voluntary cooperation by researchers.

Can a showing be made that the Sovie Union has made some gains in military technology because of unclassified information that it has gleaned from U.S. publications? Inma : says evidence supporting that view exists. But he will not publicly disclose what that evidence is, although he does say that disclosure could be made in secret to appropriate congressional committees. Inman's argument is that, if the United Sta es lets the Russians know that it knows what they know, the sources for the U.S. intelligence might be traced and exposed. "that come to here."

.Undoubtedly there is something to that contention. The problem is that it does nothing to help resolve the matter at issue. The governmen bases its case for pre-publication screening and p ssible censorship on what it sees as the detrimental results of Soviet access to freely published and unclassified U.S. scientific and techno ogical research. But it will not publicly disclose what those results are. By imposing this lid of secrecy, the government effectively precludes es ential and informed public discussion about the merits of its claim.

It stands to reason that the Soviet Union has learned useful things from overt informationgathering activities in the United States, But many scientists-including, interestingly, some discident Russian scientists-strongly question the 1 sting value of these acquisitions. It is one thing, these scientists note, to get insight into technological advances; it is something else to exploit that information. The Soviet Union's industrial b. se is nowhere near as broad or as flexible as the United States'. Its ability to adapt copied technology is limited. Its own internal secrecy often works to retard technological development.

Science thrives when scientific communications are unimpaired. It would be self-defeating i the American government's concern about what the Russians might learn served to inhibit the free interchange of ideas in U.S. science and techrology. It would be self-destructive if our open society became semi-closed in the name of protecting freedom -

APTICLE APPEARSD ON PAGE A 30°

NEW YORK TIMES 5 FEBRUARY 1982

\$TATINTL

R.& D. Data Curbs Hurt More Than Russia

To the Editor:

In a speech to the American Association for the Advancement of Science; Adm. Bobby R. Inman, Deputy Director of the Central Intelligence Agency, asked for voluntary measures to prevent the loss of sensitive military technology to the Soviet Union. Otherwise, he said, the scientists will face "legal restraints" (news story Jan. 8).

There seems no question that the Soviets have benefited from Western technology, and particularly from U.S. technology because of our long tradition of open publication of unclassified research and development. However, measures that prevent Soviet access to unclassified literature also prevent hundreds of thousands of engineers, scientists and undergraduate and graduate students in the U.S., in allied nations and in developing nations from having access to that same material.

It used to be that U.S. research and development was so far ahead of the rest of the world that we could only be pleased when our technology was propagated or purchased. But for almost 15 years, Rt&D. as a percentage of gross national product has been dropping—from 2.9 percent of G.N.P. in 1967 to about 2 percent now. If the 2.9

percent had been maintained, over \$100 billion more R.&D. would have been performed in that period.

Think of what the \$100 billion could have done to maintain vitality in the industrial and educational system. Without it, we've experienced a reversal in our balance of trade, from positive to negative. Our engineering and science schools have suffered (only 5.8 percent of our 1980 college graduates were engineers, compared with 35 percent in the U.S.S.R., 37 percent in West Germany and 21 percent in Japan).

And many economists believe the size of the G.N.P. itself, and therefore the ability of the nation to support desperately needed social programs, has diminished because it hasn't been nurtured by the new enterprises and the new products that come from R.& D.

Unfortunately, many Americans fail to realize that the country's wealth was built on R.& D. Now it needs to be rebuilt: Any new policy of restricting the flow of unclassified literature should be thought through very carefully lest it hurt not only the Soviets but all society. James J. Harford Executive Secretary, American Institute

TENTON SEED TO LINE TO THESE

of Aeronautics and Astronautics New York, Jan. 26, 1987

RADIO TV REPORTS, INC.

4701 WILLARD AVENUE, CHEVY CHASE, MARYLAND 20015

656-4068

FOR

PUBLIC AFFAIRS STAFF

PROGRAM

Morning with Charles Kuralt and STATION

WDVM TV CBS Network

Diane Sawyer

DATE

February 5, 1982

7:00 AM

CITY

Washington, DC

SUBJECT

Scientific Contact Between East and West

CHARLES KURALT: One consequence of President Reagar's sanctions against the Soviet Union has been a reduction in scientific contact between experts of East and West. There have been several cases of American universities being ordered to shut their doors in the faces of Soviet visitors.

This policy has provoked a heated debate. Barry Peterson reports.

BARRY PETERSON: In this research laboratory at Starford University, a mechanical arm performs rudimentary functions, part of a growing body of knowledge about robots and their uses.

Nikolay Umnov, a Soviet specialist in robotics and wilking machines planned to visit Stanford but the State Department slapped restrictions on his tour. No access to programming techniques. No access to any projects funded by the Defense Department. No access to private industry. In a huff, Stamford cancelled the Russian's visit.

DAVID KENNEDY, PRESIDENT, STANFORD UNIVERSITY: We would have had to guarantee that a Soviet scientist wouldn't have access to conversations with industry people. Well, we're not going to follow him around the streets after he's finished his visit he e to make sure that he doesn't run into somebody from industry. We can't do that.

PETERSON: Stanford officials say the issue here run, to the very heart of academic freedom. The traditional free and live y $\rm ex\mbox{-}$ change of information and ideas.

Approved For Release 2003/12/03 : CIA-RDP91-00901R000500260003-5

ARTICLE APPEARED ON PAGE

NEW YORK TIMES 4 FEBRUARY 1982

C.I.A. Adopts Code to Avert Abuse:

By JEFF GERTH ... Special to The New York Times 🐳

WASHINGTON, Feb. 3 - The Central Intelligence Agency, in response to dis-closures about the Libyan activities of former agents, has adopted a new code of conduct that prohibits the use of public office and inside information for private gain, according to agency officials and Congressional sources.

The code, which was distributed within the agency in the last few days, says that employees of the agency enjoy a "special trust" and calls for them to maintain high standards of conduct

"during and after" their Government changes in auditing, reporting and eemployment, the sources said.

The new standard, for the first time, extends agency regulations to former employees, but the C.I.A. is not able to could be misused, as was the case yeth enforce sanctions against such people who violate the code, according to Dale Peterson, an agency spokesman. 🦠

The code was given today to members of the House Select Committee on Intelligence, which held more closed hearings into the activities of two former agents, Edwin P. Wilson and Frank E. Terpil. The two were indicted in 1980 on charges of illegally shipping explosives to Libya and are both fugitives.

Today's hearings covered Mr. Wilson's work from 1971 to 1976 for a secret Navy intelligence unit, Task Force 157. Adm. Bobby R. Inman, who disbanded the unit in 1977 as Director of Naval Intelligence, and who is currently Deputy Director of Central Intelligence, appeared before the committee.

served as fronts for Task Force 157, and, those statutes. after leaving the Government, continved to use those same corporations in in the Government, Mr. Wilson's net agency officials who were dismisser by worth increased from \$200,000 to \$2 mil- the agency in 1977 because of their inlion, according to credit records.

The House committee is interested in determining the extent to which the The committee will finish its closed taries, to provide cover for agents, to will hold public hearings on the ma'er "wash" money for covert operations, within the next month. and for other clandestine purposes.

New Security Procedures.

The new code of conduct prohibits employees of the agency from using its facilities and C.I.A.-derived information in private business dealings.

Representative Romano L. Mazzoli, Democrat of Kentucky, who heads the legislative subcommittee of the intelligence panel, said after the hearing that

curity procedures outlined today by Admiral Inman had made it highly in-likely that intelligence proprietaries Mr. Wilson.

Mr. Mazzoli said, however, that he committee was still looking to poss ble after a "continuing dialogue with he C.I.A."

Representative Albert Gore ". r., Democrat of Tennessee, said he believed the agency had been "blinded" in its analyses of Iran under the deposed Shah and Libya, in part because of clase ties between agency personnel and the two countries. Mr. Gore said he intented to propose legislation requiring members of the intelligence committee to agree not to work for foreign countries after their Government service.

Officials of the agency, like all Covernment employees, are subject to vivious Federal criminal conflict of interest Mr. Wilson operated a number of cials, no current or former employed of Washington-based companies that the agency has ever been charged ur der

However, some C.I.A. officials have his Libyan dealings, according to public been disciplined or dismissed for ruisrecords. From 1967 to 1976, while he was conduct in the past, as in the case of wo volvement with Mr. Wilson.

C.I.A. and other intelligence agencies hearings tomorrow, when Delense >monitor and control the activities of se partment officials are expected to iscret corporations used in clandestine incuss Mr. Wilson's recruitment of membelligence operations. The C.I.A. runs bers of the Army Special Forces to help secret businesses, known as proprie train terrorists in Libys. The committee

Approved For Release 2003/12/03: CIA-RDP91-00901R000500260003-5

(INTELLIGENCE)

(BY DANIEL F. GILNORE)

WASHINGTON (UPI) -- THE HOUSE INTELLIGENCE COMMITTEE QUESTIONED DEPUTY CIA DIRECTOR BOBBY RAY INMAN TODAY ABOUT A NON-DISBANDED TOF SECRET NAVY SPY PROGRAM INVOLVING A CIA AGENT WHO NOW WORKS FOR LIBYAN LEADER MORNMAR KHADAFY.

INMAN APPEARED FOR MORE THAN TWO HOURS AT A CLOSED SESSION OF THE PANEL, WHICH IS TRYING TO DETERBINE WHAT, IF ANY, OFFICIAL TIES OR CONNECTIONS THE CIA MAINTAINED WITH TWO AGENTS AFTER THEY LEFT THE ORGANIZATION IN 1976.

THE EX-AGENTS, EDWIN P. WILSON AND FRANK E. TERPIL: WERE INDICTED IN 1980 DN CHARGES OF SUPPLYING EXPLOSIVES AND ARRANGING ARMS SALE: FOR LIBYA AND RECRUITING U.S. MERCENARIES TO TRAIN TERRORISTS THERE.

REP. ROMANO MAZZOLI, D-KY., CHAIRMAN OF AN INTELLIGENCE SUBCOMMITTEE ON LEGISLATION, TOLD REPORTERS AFTER THE MEETING THAT WILSON WAS "CONNECTED" WITH TASK FORCE 157, THE TOP SECRET NAVAL OPERATION, IN THE HID 1970S.

MAZZOLI WOULD NOT GO INTO DETRILS OF THE PROBRAM BEYOND SAYING THAT PIT WAS AN INTELLIGENCE ACTIVITY AND INVOLVED PEOPLE WHO WER NOT AUDITED, WHOSE BACKGROUNDS WERE NOT SUFFICIENTLY CHECKED AND "-HO WERE WILLING TO LINE THEIR OWN POCKETS."

INMAN WAS FORTHCOMING AND SPECIFIC IN HIS TESTINONY, MAZZOLI SA D. MAZZOLI SAID THE KIND OF DPERATIONS THE TASK FORCE CARRIED OUT PROBABLY WOULD NOT BE PERMITTED TODAY BECAUSE OF CONGRESSIONAL AND OTHER OVERBIGHT PRECAUTIONS ON INTELLIGENCE MATTERS.

BUT, HE SAID, THE COMMITTEE WANTED TO EXAMINE WHETHER ANY FURTH R LEGISLATION WAS REQUIRED TO PREVENT SUCH ABUSES AND TO LOOK AT POSSIBLE RESTRAINTS ON THE ACTIVITIES OF INTELLIGENCE OPERATIVES AFTER THEY LEAVE THEIR AGENCIES.

MAZZOLI SAID WITNESSES AT THURSDAY'S FINAL CLOSED HEARING WOULD INCLUDE FBI DIRECTOR WILLIAM WEBSTER AND ARMY AND JUSTICE DEPARTMENT OFFICIALS.

UPI 02-03-82 07:57 PES

ARTICLE APPEARED
ON PAGE A4

THE WASHINGTON POST 3 February 1982

Probe Clears CIA Of Contact With 2 Aiding Qaddaii

United Press International

The chairman of the House Intelligence Committee said yesterday that investigations had turned up no evidence of official contact between the CIA and two former agents who went to work for Libya's Col. Muammar Qaddafi.

However, committee Chairman

However, committee Chairman Edward Boland (D-Mass.) said CIA employes who later worked for a firm associated with one of the fugitive ex-agents, Edwin Wilson, likely had contact with both Wilson and Frank Terpil while still at the agency.

Boland referred to Theodore Shackley, former deputy director of clandestine operations, and Thomas Clines, former director of training in the clandestine services.

Clines, after leaving the CIA in 1978, established a petroleum equipment business, with help from Wilson. Shackley went to work for Clines when he retired in 1979.

Boland spoke with reporters after a three-hour closed committee hearing attended by CIA Director William J. Casey, Deputy Director Bobby R. Inman, CIA inepector general Charles Briggs and CIA general counsel Stanley Sporkin. During the hearing, the first in a series focusing on the activities of Wilson and Terpil, the CIA officials denied that the agency had sanctioned any contacts with the two or any involvement in the recruitment of former U.S. Army Special Forces troops to train terrorists in Libya.

Boland said he told the CIA officials the committee has "a very deep concern" about possible ramifications of the work Wilson and Terpil have done for Qaddafi.

Wilson, last reported living in Libya, and Terpil, said to be in Lebanon, were indicted in 1980 on charges of illegally shipping explosives and arms to Libya after they left the agency in 1976.

Two lower-level employes were fired for cooperating with them while still with the CIA.

Boland quoted Casey as saying in his opening statement that the CIA's ongoing investigation came to the "tentative conclusion" there was no official agency involvement in any of the the Libyan activities, no official contact with Wilson and Terpil after their indictment and no involvement in the recruitment of Green Berets to train terrorists for Qaddafi.

\sim	_ ^ -	T 1	N 1-	т.	
•		1 13	Νī		
.)			ı vı		

Approved For Release 3003/12/93: 614 RDR34-00901R000500260003-5

2 FEBRUARY 1982

<u>\$254287</u>

R M BYLVYXEEV AGGST

TAX-CIA-LIBYA: 280
TOTA CONCLUDES IT NOT OFFICIALLY INVOLVED IN LIBYAN AFFAIR

WASHINGTON (AP) - CIA DIRECTOR WILLIAM J. CASEY TOLD THE AGUSE
INTELLIGENCE COMMITTEE ON TUESDAY THAT THE SPY AGENCY HAS TENTATIVELY
CONCLUDED **THERE WAS NO OFFICIAL DIA INVOLVEMENT IN LIBYAN TERROFTS?
TRAINING: ** THE COMMITTEE CHAIRMAN SAID.

Rep. Edward 7. Boland; J-Mass.; spoke with reporters after Jasey and other Cla officials testified before the mouse panel behind Close, doors for three Hours.

THE HEARING FOCUSED ON QUESTIONS OVER THE ADEQUACY OF AN INTERNA: JIA INVESTIGATION INTO POSSIBLE LINKS BETWEEN THE AGENCY AND IMO FORMER AGENTS: ZOWIN P. WILSON AND FRANK Z. TERPIL: ACCUSED OF SE TIME OF A TERRORIST TRAINING PROJECT IN LIBYA.

BOLAND SAID HIS COMMITTEE HAS ^()A VERY DEEP CONCERN BECAUSE OF T E IMPACT THAT THESE ALLEGATIONS HAVE UPON THE AGENCY. UP COURSE: The Agency of Course: The Agency of Course: The Agency of Course of The Agency of The Agency of The Agency of Course of The Agency of The Agenc

THE CHRIRARN SAID HE WAS PLEASED BY THE DIA'S COOPERATION WITH A COMMITTEE INQUIRY INTO WILSON-TERPIL AFFAIR, HE ADDED: ''I'M SATE FILD WITH THE AGENCY'S CONDUCT AT THIS POINT.''

HOWEVER; BOLAND INDICATED THAT THE COMMITTEE BELIEVES THERE ARE STILL DISCREPANCIES WHICH MEED TO BE RESOLVED BETWEEN THE CIP'S OFFICIAL VERSION AND INFORMATION FROM OTHER SOURCES ABOUT THE LIBYAN-RELATED ACTIVITIES.

**WITH REFERENCE TO WHO KNEW WHAT! AND WHEN! THAT WOULD HAVE TO E BALANCED WITH SOME OF THE INFORMATION WE HAVE IN THE FILE AND TESTINONY WHICH HAS BEEN ADDUCED BY WITHESSES WHERE IT DOESN'T BU E SQUARE WITH THE AGENCY'S INVESTIGATION! ** BOLAND SAID WITHOUT ELABORATING.

APPEARING WITH CASEY AT THE HERRING WERE ADM. BOSEY R. IMMANS THE CIR'S DEPUTY DIRECTORS AS WELL AS CHARLES A. BRIGGSS INSPECTOR GENERAL FOR THE AGENCYS AND STANLES GENERAL COUNSEL.

APPAY-02-02-2545157

2 February 1982

(BY DANIEL F. GILMORE)

)

WASHINGTON (UPI) -- CIA DIRECTOR WILLIAM CASE AGENCY OFFICIALS TODAY APPEARED BEFORE THE HOUSE COMMITTEE FOR A CLOSED-DOOR DISCUSSION OF LINKS AGENTS AND THE LIBYAN GOVERNMENT.

CASEY AND DEPUTY DIRECTOR BOBBY INMAN, INSPEC BRIGGS AND GENERAL COUNSEL STANLEY SPORKIN DECLI REPORTERS BEFORE ENTERING THE COMMITTEE HEARING

THE PANEL PLANS ADDITIONAL HEARINGS MEDNESDAY AND THURSDAY TO QUESTION DEFENSE DEPARTMENT WITNESSES ABOUT A SERIES OF REPORTS SUGGESTING FORMER CIA AGENTS AND MILITARY OFFICERS HAVE PROVIDED A RANGE OF SERVICES FOR KHADAFY.

THE HEARINGS ARE INTENDED TO FOLLOW UP ON INQUIRIES THAT BEGAN IN 1976 UNDER CIA DIRECTOR STANSFIELD TURNER AND CONTINUE UNDER CASTY. FOCUSING ON THE ACTIVITIES OF FORMER CIA AGENTS EDWIN WILSON AND FRANK TERPIL.

WILSON AND TERPIL. WHO LEFT THE CIA IN 1976, WERE INDICTED IN 1970 ON CHARGES OF ILLEGALLY SHIPPING EXPLOSIVES AND ARMS TO LIBYA.

WILSON, SAID TO BE LIVING IN TRIPOLI, ALSO IS ALLEGED TO HAVE RECRUITED FORMER MEMBERS OF THE U.S. ARMY SPECIAL FORCES AS MERCENARIES TO TRAIN TERRORISTS FOR KHADAFY.

AN INTERNAL CIA INVESTIGATION BY INSPECTOR GENERAL JOHN VALLE: IN 1976-77 FOUND NO OFFICIAL CONNECTION BETWEEN THE AGENCY AND WILE IN AND TERPIL AFTER THEY LEFT, BUT TWO LOWER-LEVEL EMPLOYEES WERE FIRED FOR HELPING THEN.

WALLER, ASKED BY TURNER TO DETERMINE THE EXTENT OF CIA INVOLVENENT WITH WILSON AND TERPIL, SPECIFICALLY CLEARED THEODORE SHACKLEY, THEY DEPUTY DIRECTOR OF CLANDESTINE OPERATIONS, AND THOMAS CLINES, DIRECTOR OF TRAINING IN THE CLANDESTINE SERVICES.

AFTER CLINES LEFT THE CIA IN 1978, HE ESTABLISHED A PETROLEUM EQUIPMENT BUSINESS WITH THE REPORTED HELP OF WILSON, SHACKLEY WENT TO WORK FOR CLINES WHEN HE RETIRED IN 1979.

CASEV STARTED A SECOND INVESTIGATION INTO THE WILSON-TERPIL FFFIR LAST YEAR. THAT PROBE IS CONTINUING.

[[]] ([Approved For Réléase 2003/12/03 : CIA-RDP91-00901R000500260003-5

ARTICLE APPEARED ON PAGE A-/ NEW YORK TIMES 1 FEBRUARY 1982

HOUSE IS STARTING - HEARINGS O

Agency Report of Activity for Libya Is Focus of Inquiry:

By PHILIP TAUBMAN Special to The New York Times

WASHINGTON, Jan. 31 - The House Intelligence Committee will begin: closed hearings Tuesday on the Central Intelligence Agency's investigation of its possible links to two former agents who sold their services to Libya,

The C.I.A.'s internal investigation may have failed to pursue several significant lines of inquiry and may not have examined all possible sources of information, sources familiar with the committee's work said. The inquiry was conducted in 1976 and 1977 by the agency's inspector general to determine whether any officials helped establish a terrorist training project in Libya...

Report Exonerated Officials.

The inspector general's report, which led to the dismissal of two middle-level agency employees, exonerated several senior intelligence agency officials who were suspected of having ties to the former agents, Edwin P. Wilson and Frank E. Terpil, according to former C.I.A. of-1 De la Ballion ficials.

The report also served until recently as the basis for agency statements that the C.I.A. had thoroughly investigated the Wilson-Terpil matter and had found no official ties to the Libyan operation organized by the two men.

A second internal C.I.A. investigation, initiated last year by William J. Casey, the Director of Central Intelligence; is continuing, according to Reagan Administration officials. To date, it has found no evidence of official agency approval or support for the operation, according to the C.I.A.

It has, however, raised questions about the thoroughness of the first investigation, according to those familiar with the committee's work. These sources declined to provide details, but said that agency investigators might have prematurely cleared senior officials.

Mr. Wilson and Mr. Terpil were indicted in 1980 on chargesprovilled to Release 2003/12/03 : CIA-RDP91-00901R000500260003-5 shipping explosives to Libya. They are currently living abroad as fugitives.

The two men, according to the Justice Department, reached an agreement with Muammar el-Qaddafi, the Libyan leader, in 1976 to sell Libya their expertise in intelligence and military matters to help train terrorists.

The C.I.A.'s internal investigation is one of several facets of the Wilson-Terpil case that the House Permanent Select Committee on Intelligence is expected to explore in three hearings this week, committee staff members said.

Other facets include the recruitment of Army Special Forces veterans to train terrorists in Libya and Mr. Wilson's association with a secret Navy intelligence unit called Task Force 157.

The hearings will conclude a fourmonth committee staff investigation into the activities of Mr. Wilson and Mr. Terpil. The committee, according to staff members, has reached no conclusions about the adequacy of the inspector general's report, but enough questions have been raised to warrant a review of the specific Wilson-Terpil inquiry as well as the general ability of the C.I.A. to investigate possible misconduct by its officials.

Officials Defend Inspector General

Former officials of the agency, including Adm. Stansfield Turner, Director of Central Intelligence in the Carter Administration, defended the work of the inspector general in the Wilson-Terpil case. "I turned him loese and I'm satisfied that he got me to the bottom of the case," Admiral Turner said in a recent interview.

Admiral Turner dismissed two middle-level agency employees in 1977 after. the inspector general found that they had helped Mr. Wilson establish the terrorist training operation in Libya.

At the time, the C.I.A.'s inspector general was John H. Waller, who worked in the agency's clandestine operations division for many years before becoming inspector general in 1976, according to former intelligence officials. Mr. Waller retired from the C.I.A. several years ago.

Mr. Waller's investigation of the Wilson-Terpil case focused almost exclusively on officials in clandestine operations, including several with whom he had worked closely before becoming inspector general, according to former intelligence officials. Mr. Waller last week declined to discuss his work at the C.I.A. (2) . - 1 2 1 1 1 1 1 1 2 1 2 2 2 2 2 2 3 4 4 4 4 4

Specific Theodors rector of Thomas G the clands maintaine left gover establishe

Mr. Sha denied kn son's busi acknowled him set up ness when Shackley when he'r both men.

The Hou said to be (conflict fac asked to it Mr. Wilson Clines.

Witnesses expected to testify at Tuesday's hearing, which will examine Mr. Wilson's links to the agency, will include Mr. Casey; Admiral Bobby R. Inman, the Deputy Director of Central Intelligence; Charles A. Briggs, the current inspector general, and Stanley Sporkin, the agency's general counsel.

Admiral Inman is expected to return the next day to discuss Mr. Wilson's work for Task Force 157, a secret Navy intelligence unit that the admiral dismantled in the mid-1970's when he was Director of Naval Intelligence.

Defense Department officials are expected to appear Thursday to discuss Mr. Wilson's recruitment of Luke F. Thompson, an officer on active duty in the Army Special Forces, to help train terrorists in Libya. Mr. Thompson has asserted that his superiors in the Green Berets approved his mission to Libya.

LOS ANGELES TIMES 1 FEBRUARY 1982

STATINTL

Curb Exchange of Science Data

By LEE DEMBART. Times Science Writer

A technical paper that was pubdished in a scientific journal several years ago explained to the oil industry an improved method for breaking rocks while drilling. According to the Defense Department, the Russians picked up the technology and used it to build weapons that can destory American tanks.

st. As a result of this and similar incidents the government cites, the Reagan Adminstration is stepping up its efforts to clamp down on what it calls the "leakage" of technology to potential enemies.

But many scientists across the country are alarmed at the veiled and not so veiled threats from Washington to limit the free and open exchange of ideas and results that is the bedrock of the scientific enterprise. The condition and the

The anxiety that has now been created by the national security authorities produces the almost unavoidable conclusion that the government is pressing for censorship of some kind," said William D. Carey, executive officer; of the American Association for the Advancement of Science, in a telephone interview

hi recent weeks, Frank C. Carlucci, the deputy secretary of defense, published a long letter in the journal Science urging an innibition on the flow of information, and Adm. Bobby R. Inman, the deputy director of the Central Intelligence Agency, told a scientific meeting in Washington that scientists may have to submit many papers to the government for pre-publication review to keep matters of national interest from leaking out.

Carlucci declined to be interviewed But Inman returned a phone call promptly and declared, This is a problem that's going to get a lot noisier in the months ahead.

"Scientists ought to start thinking about the forum and the vehion the larger issues of technology transfer that are clearly going to be

by and give advice rather than just; Association for the Advancement of to wait for the government to regu-

Related to the publishing issue is the current dispute between the State Department and several universities, inouding Stanford, over government-sought restrictions on what a visiting Soviet scientist maybe shown and told.

As a result, many scientists see a 1. Bromley said ne thought some concerted campaign on the part of compromise could be worked out by As a result, many scientists see a . the government to unnecessarily reasonable people on both sides. from international exchanges, and they doubt whether the flow of knowledge can be stopped regard-,; less of what the government does.

. Their cries of protest have begun appearing in the scientific journals.

: "American scientists legitimately can question whether the government's new approach can achieve its goal without highly counterproductive and deleterious effects on the current structure of our research institutions," Edward Gur-jeoy wrote in Physics Today.

Discussions Sought

. At the same time, however, efforts are under way at the highest level of the government and the scientific community to begin an exchange that would result in the acceptance by scientists of some restrictions on what may be published.

Frank Press, the president of the National Academy of Sciences, said in an interview recently that the Academy is willing to act as an honest broker in bringing the two sides together. A A

When Inman of the CIA spoke at the scientific meeting, he listed the following areas as particularly troublesome for the government: com2 puters, electronic equipment and techniques, lasers, crop projections and manufacturing procedures. 444

 While many people were alarmed. by the sweep of the government's. interest, Press said he thought Inman had spoken "off the top of his head," and added, "He just wants to start the dialogue." And D. Allan Bromley, a Yale

-U.S. Moving to in a position to get in there and lob-man of the board of the American Science, said by telephone:

"Bobby Inman was obviously making an extreme case. He was going to get the attention of everybody, and he sure did. But I don't for a moment believe that he really feels that one should clamp down to the extent that his remarks have been interpreted."
Bromley said he thought some

limit their freedom for little reason and with the prospect of little gain. What worries me," he said, "Is a kind of knee-jerk reaction on the They say American scientists have part of the scientific community learned as much as they have lost that, by God, nobody's going to infringe my publication rights, and the same knee-jerk reaction on the military side that, by God, nobody's going to publish anything that I don't approve of. That kind of thing will lead to major loss both to the military and to the scientific community. The sun lens between 1991

While the Reagan Administration has brought renewed attention to the question, the issue is not new. Two years ago, the Carter Administration prevented Soviet scientists from attending conferences here on lasers and bubble memories for computers. The same and the

A year ago, a committee of scholars urged researchers in the field of code-making and breaking to submit their research papers to the National Security Agency for prefollowed a threat by the agency to ask Congress to pass a law prohibiting the publication of such work. The director of the National Security: Agency during that dispute and its resolution was inman, who is now No. 2 at the CiA.

Since the proposal for review was made, two dozen papers in cryptography have been submitted to the Security Agency, and all have promptly been approved for open publication. The system is still

CONTINUED

cles for getting their imaproseme For Release 2003/12/03: CIA-RDP91-00901R000500260003-5

Approved For Release 2003/12/082 CIA-RDP91-00901R000500260003-5

Deputy CIA Director Addresses November Breakfast Meeting

Admiral B. R. Inman, USN, Deputy Director of the CIA, addressed the November 17, 1981 A.D.P.A. Breakfast Meeting at the Key Bridge Marriott on "The State of U.S. Intelligence."

Admiral Inman began his presentation by giving us an historical synopsis of the development of U.S. intelligence gathering efforts. Our country

began collecting intelligence information in peacetime almost 100 years ago with the founding of the Office of Naval Intelligence in March 1882. This is the oldest continuous intelligence gathering organization that we possess. Esentially, our broader intelligence collection efforts began in World War I but, upon termination of that conflict, the bulk of our activities again ceased although the War Department and the Navy picked up some of the pieces. It was this residual capability that enabled us to break the Japanese code.



Admiral B. R. Inman, USN

The end of WW II brought about a whole new perspective regarding the value of being involved in intelligence and led to our retention, in peacetime, of organizations that could answer the question: "What might we need to know?" There were initial decisions regarding the FBI and its mission to sustain domestic activity and the need to assign foreign intelligence work elsewhere. Intelligence responsibilities were furthered by the

Korean War in the 1950's which also triggered the effort to assemble encyclopedic data about countries throughout the world, because of the realization that full knowledge about foreign countries, their cultures and economies is as needful as is basic information about their fighting capabilities. During the 1950's, there was a great surge in our technological information gathering capabilities as exemplified by the development of the U-2 aircraft which, for the first time, enabled us to examine closed societies. In retrospect, a key failure of that time was not establishing guidelines for protecting American citizens' interests which would govern the conduct of business by the intelligence community. 2

However, in the 1960's, the intelligence community was beset by the same problems as the U.S. military community because the key question became not what we might need to know but were our operations "cost effective?" If there has ever been a type of organization that is not cost effective it is intelligence because logical conclusions depend upon assumptions that can be brought to bear on many bits of information and the cost of procuring them escalates with the number of facts that can be obtained.

Also, in the 1960's, the Vietnam War added to the then existing complexities of gathering information because it diverted resources from the basic task of assembling encyclopedic intelligence knowledge. In 1967, problems were compounded because of adverse U.S. balance of payments considerations. Consequently, the questions then became "What can you do without?" "How do you reduce the American presence abroad?" Subsequently, in 1971, the problem was accentuated by "How can you pay for great new technological advances?" And the answer was "Give up manpower," a tenet which, by definition, again struck at the need to assemble the "bits and pieces" noted earlier. One sequel to dissipating our intelligence was our failure to predict the 1973 Arab-Israeli conflict.

In general, in the 1970-75 time frame, there was focus on lessened intelligence because of expenditure ceilings set by OMB (Office of Management and Budget) and this was paralleled by failure to think about what kind of challenges would affect U.S. interests up to 10 years beyond.

In Admiral Inman's judgment, the real impact of the investigations of past U.S. intelligence performance during the mid-1970's was the failure to assess the consequences of the draw-down of manpower and spending power. There was no mood at the time to point the direction that should be taken but rather of regulation of what you were doing. Added to this were pressures from the Congress pursuing the question of what we could do without. The over-all approach was to centralize the whole review of the investment that you could afford in the intelligence area and to let OMB set the pace by providing, at the outset, a dollar ceiling against which you would decide how much you could afford to spend.

With specific reference o CIA, some assumptions were made about what might happen: assumpt ons that you might have a more peaceful century as you progressed into he final decades of the 20th century Major investments were made, primarily to monitor arms-control treaties which turned out to be highly beneficial to the U.S. Because by the same token that enables you to verify tresties, you can derive a margin of confidence that you will not be surprised be a major adversary in a Pearl Harbo, type attack. In terms of long run assessments, coupled with what you could do without, the policy led to steadily diminishing activity because of cost considerations alone. This had a major impact in terms of human collection and the analytical assessment of such efforts for large are s of the world, and the results were surprises in Iran, Nicaragua and Afghanistan. The travail of the Congressional investigations in 1975-76 brought some benefits in that a new look was taken at the intelligence problem and it became apparent that the CL, and the U.S. intelligence community generally, had no sponsors. The establishment of two permanent select committees in the Congress for purposes of oversight, after the earlier phase which sometimes seemed ake an inquisition, created a constitutency for quality intelligence.

CON INVISIO

Approved For Release 2003/12/03: CIA-RDP91-00901R000500260003-5 In the future, we must recognize partisan view; there is no reward for

unequivocally that there must be both people and dollars to improve our intelligence gathering capabilities back to the point that we fulfill the requirements in terms of what might we need to know and not in terms of what we can do without. We must have regulations to the degree that those who perform for us in the intelligence field will know the standards to which they will be held accountable for 10, 20, and 30 years hence. But we will also have to match this accountability with effective checks and balances and that's taking advantage of what we now have, in the Congress, in terms of the proper mechanism for classified oversight. You cannot count on public discussions as the medium for providing effective oversight because the intelligence community can never respond to public inquiry without revealing essential elements of classified information. The principle that you can reveal examples of what foreign intelligence agencies have passed on to you is ludicrous unless you wanted to make sure that they will never do business with you again.

Fortunately, the mechanism is now in place to assure that bipartisan committees of the Senate and the House will oversee intelligence interests without compromising essential information. For several years, Admiral Inman has watched a very large spectrum of Congressional people who have approached oversight with a bi-

those, so concerned, in terms of appreciation from their home constituencies nor, indeed, can they disclose the nature of their work to their political benefit. They have passed over several opportunities to make headlines and have continued to provide cogent advice as to how the Administration should go about its intelligence operations. We need to place great reliance upon such interpretations and get on with excluding provisions of the Freedom of Information Act for the Intelligence Community. We need laws to ensure that we do not give a license to U.S. citizens or organizations to publicly work for the destruction of the U.S. intelligence setup, and certainly not to collaborate with foreign intelligence organizations in the process. We have to get back to having the intelligence organizations that can provide this country with first class intelligence.

ON PAGE 30. Approved For Release 2003/12/03: CIA-RDP91-00901R000500260003-5

People to Watch



BOBBY RAY INMAN

Master Spy Who's Not Out in the Cold

Tall, spare, with hooded eyes and a Bugs Bunny grin, he has access to more raw intelligence than anyone in Washington. Deputy Director of Central Intelligence Bobby Ray Inman was born 50 years ago in Rhonesboro, Texas. "Anybody from that far back in the sticks can't be all bad," says Senator John Tower, and indeed Inman is regarded as extraordinarily good by powerful members of Congress. They prefer Inman to CIA Director William Casey, whose errors have drawn fire but who retains President Reagan's support, for the time being.

Inman—smart, ambitious, articulate, quick—reads half the night, subsisting on four or five hours of sleep. Asked to assess the nation's strengths and weaknesses, Inman says: "On current intelligence we're very good. In assessing where the strength of the says and the same and t

where he says the Soviets outnumber us three-to-one.

After service in Korea and Vietnam, Inman headed the National Security Agency for four years, then hoped to accept a lucrative outside offer. He had two sons to educate and a wife in graduate school. But Reagan talked Inman into the slot as Casey's deputy, boosting Inman to four-star admiral. He was one of the youngest men to attain that rank.

Rumors that Inman, not Casey, runs the CIA appear unfounded. A former CIA intelligence official who knows Inman well says, "Casey briefs the President. Inman coordinates the work of other intelligence agencies, a tedious job. The weakness is that Casey speaks only to the President and the President doesn't always make the decisions. Should Casey

where things are apply read as 2003/12/03 for A RDF9 wi000004R000500260003-5
His most pressing need is manpower, Congress if Inman doesn't succeed him."